



## **WHAT'S AT STAKE:**

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**House Transportation and Housing  
Spending Bill Would Cut Rail  
Investments and Rental Assistance**



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## INTRODUCTION

Attempts by House Republicans to cut domestic programs below this year's already-low post-sequestration spending levels ran into trouble in late July when the House Republican leadership pulled legislation from the House floor (H.R. 2610) that would have funded the Department of Transportation and the Department of Housing and Urban Development (HUD). According to reports, the bill was pulled because it lacked sufficient support to pass.<sup>1</sup>

House Majority Leader Eric Cantor (R-VA) has indicated that the House will reconsider this legislation this fall, but he was contradicted by House Appropriations Committee Chairman Hal Rogers (R-KY), who called the bill's chances "bleak."<sup>2</sup> A similar bill in the Senate (S. 1243) that contains higher proposed funding levels is also awaiting consideration.

The House bill would cut funding from \$51.7 billion this year to \$44.1 billion in the coming federal fiscal year, which begins Oct. 1 – a cut of 14.7 percent below pre-sequestration levels. By comparison, the corresponding Senate bill would increase funding to \$54 billion next year, an increase of 10.5 percent. The House bill would substantially cut a number of transportation

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1 David Rogers, "THUD Bill Is Pulled as GOP Budget Frays," *Politico*, July 31, 2013. Available at: <http://www.politico.com/story/2013/07/thud-bill-pulled-from-house-floor-94992.html#ixzz2cjH69r4e>.

2 House Appropriations Committee, "Chairman Rogers Statement on the THUD Bill," July 31, 2013. Available at: <http://appropriations.house.gov/news/documentsingle.aspx?DocumentID=344776>.



programs, including Amtrak, while further cutting housing programs for low-income families facing an increasingly tight rental housing market.

The following analysis summarizes major differences between the House and Senate bills. A complete side-by-side comparison can be found at the end of this report.

## DEPARTMENT OF TRANSPORTATION

Overall, the House bill would reduce annually appropriated funding for the Department of Transportation from \$17.9 billion in FY 2013 (pre-sequestration) to \$15.3 billion in FY 2014, a cut of 14.8 percent. By contrast, the Senate bill would boost this funding to \$18.6 billion, an increase of 3.9 percent.

**Amtrak:** Rail is one of the safest and most energy-efficient forms of travel (see **Table 1** below). The nation's principal rail line, Amtrak (formally known as the National Railroad Passenger Corporation), currently receives federal funding for both capital investments and improvements (\$952 million) and ongoing operations (\$466 million), for a total of about \$1.418 billion this year, before sequestration.

The Senate bill proposes combining these two funding streams and increasing total funding to \$1.452 billion (an increase of 2.4 percent). The House bill keeps them separate and cuts both. It cuts capital investments and improvements to \$600 million and operating funds to \$350 million, for a total cut of 33 percent.

In making its recommended cuts, the House alleges that Amtrak is losing money and that its operational losses are due, in part, to unprofitable routes and unionized employees that are paid too much, particularly in its food and beverage services.<sup>3</sup>

In reality, Amtrak's ridership has been growing exceptionally rapidly in recent years.<sup>4</sup> Total

<sup>3</sup> House Report 113-136, p. 45.

<sup>4</sup> Amtrak, "Amtrak Ridership Growth Continues in FY 2013: March sets record as single best month in history of railroad," April 9, 2013. Available at: <http://www.amtrak.com/ccurl/178/1001/Amtrak-Ridership-Growth-First-Six-Months-%20FY2013-ATK-13-031.pdf>.



ridership in 2012 was 31.2 million, about 50 percent greater than the 20.5 million riders it had in 2000<sup>5</sup> and about 3.5 percent higher over the past year alone.<sup>6</sup> Passenger growth has exceeded that of other modes of transportation during this period, including air travel.<sup>7</sup> Most of the growth has been in trips that are 400 miles or less, where travel times and convenience are most competitive with air travel and automobiles.<sup>8</sup> Operational losses have been steadily declining during this period and are now the lowest they have ever been in inflation-adjusted terms (Amtrak is actually profitable in the northeastern corridor, which runs from Washington, DC to Boston).<sup>9</sup>

**Table 1 - U.S. Transportation Safety and Energy Use Statistics, 2011**

	Passenger Miles (millions)	Total Energy Use (trillion BTUs)	Fatalities	Energy per passenger mile (BTUs)	Fatalities per 100 million passenger miles
Cars	2,420,325	8,140.9	11,981	3,364	.495
Personal Trucks	1,679,644	6,298.5	9,907	3,750	.590
Motorcycles	21,460	53.2	4,612	2,478	21.491
Buses (transit)	21,574	91.5	54	4,240	.250
Air (commercial)	566,622	1,494.7	11.6°	2,638	.002
Rail (passenger)	37,617	94.5	570*	2,513	n/a

Sources: U.S. Department of Transportation, Bureau of Transportation± and Transportation Energy Data Book.\*

° Average over five years, from 2007-2011.

\* This statistic includes both freight and passenger trains. The vast majority of railroad fatalities involve non-passenger deaths such as collisions with vehicles at crossings, suicides, and trespassing. See Federal Transit Administration, “2009 Rail Safety Statistics Report.” Available at: [http://www.fta.dot.gov/documents/Rail\\_Safety\\_Statistics\\_Report\\_2009-FINAL.pdf](http://www.fta.dot.gov/documents/Rail_Safety_Statistics_Report_2009-FINAL.pdf).

± U.S. Department of Transportation, Bureau of Transportation, Table 2-1: Transportation Fatalities by Mode. Available at: [http://www.rita.dot.gov/bts/sites/rita.dot.gov.bts/files/publications/national\\_transportation\\_statistics/html/table\\_02\\_01.html](http://www.rita.dot.gov/bts/sites/rita.dot.gov.bts/files/publications/national_transportation_statistics/html/table_02_01.html).

\* Oak Ridge National Laboratory, Transportation Energy Data Book, Table 2.12 – Passenger Travel and Energy Use. Available at: <http://cta.ornl.gov/data/chapter2.shtml>.

5 The Atlantic Cities, “Why Amtrak Keeps Breaking Ridership Records and Will Continue to Do So,” Oct. 19, 2012.

Available at: <http://www.theatlanticcities.com/politics/2012/10/why-amtrak-keeps-breaking-ridership-records-and-will-continue/3643/>.

6 Planetizen, “Amtrak Reports Another Record Year,” Oct. 10, 2012. Available at: <http://www.planetizen.com/node/58771>.

7 Robert Puentes, Adioe Tomer, and Joseph Kane, “A New Alignment: Strengthening America’s Commitment to Passenger Rail,” Brookings Institution, March 2013, p. 8. Available at: <http://www.brookings.edu/~media/Research/Files/Reports/2013/03/01%20passenger%20rail%20puentes%20tomer/passenger%20rail%20puentes%20tomer.pdf>.

8 Ibid., p. 10.

9 Amtrak, “Fiscal Year 2014 Budget Request Justification,” May 2013, p. 5. Available at: <http://www.amtrak.com/ccurl/851/32/AmtrakFY14-Budget-Request-Justification,0.pdf>.



Set against this substantial rate of growth, the Obama administration has proposed increasing the overall operating budget for Amtrak by just 3.1 percent.<sup>10</sup> The administration has also proposed capital investments to upgrade and expand its fleet of locomotives and cars, the average age of which is 29 years and some of which are more than 60 years old.<sup>11</sup> The locomotives being brought into service will be faster, safer, more energy efficient, and cheaper to maintain.<sup>12</sup>

**National High-performance Rail System:** In its budget submission to Congress, the Obama administration recommended a \$5 billion increase in investment in the nation's railways. This is intended to be the first installment in a proposed five-year, \$40 billion investment.

Some of the proposed increase is focused on improvements in high-speed rail, similar to that found in Europe, where maximum speeds can exceed 200 miles per hour.<sup>13</sup> The closest train in the United States is the Acela, which runs between Boston and Washington, DC. While the Acela can reach a top speed of over 150 miles per hour, average speeds are much slower, about 75-80 miles per hour.<sup>14</sup>

Bottlenecks and tracks shared with slower-moving freight trains lower average train speeds. "The key to going fast is not going slow," according to Amtrak's president and chief executive, Joe Boardman.<sup>15</sup>

According to the Federal Railroad Administration, at least \$10.1 billion in federal funding has been spent on high-speed rail in recent years, including both funding included in the 2009 American Recovery and Reinvestment Act and in subsequent appropriations bills.<sup>16</sup> Nearly 70

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10 Amtrak, "Fiscal Year 2014 Budget Request Justification," May 2013, p. 22. Available at: <http://www.amtrak.com/ccurl/851/32/AmtrakFY14-Budget-Request-Justification,0.pdf>.

11 Ibid., p. 14.

12 Amtrak, "Amtrak Unveils Advanced Technology Locomotives for Northeast Service," May 13, 2013. Available at: <http://www.amtrak.com/ccurl/898/720/Amtrak-Siemens-Locomotive-ATK-13-039.pdf>.

13 *Business Insider*, "11 Incredibly Fast Trains That Leave America In The Dust," Nov. 26, 2012. Available at: <http://www.businessinsider.com/the-10-fastest-trains-in-the-world-2012-11?op=1#ixzz2cXR06ucm>.

14 WNYC, "Amtrak to Test New Top Speed of 165 m.p.h.," Sept. 24, 2012. Available at: <http://www.wnyc.org/blogs/transportation-nation/2012/sep/24/amtrak-to-test-new-top-speed-of-165-m-p-h/>.

15 *Style Weekly*, "The Slow Track," Aug. 5, 2009. Available at: <http://www.styleweekly.com/richmond/the-slow-track/Content?oid=1380471>.

16 Federal Railroad Administration, "Obligated High Speed Intercity Passenger Rail Funding by Region." Available at: <http://www.fra.dot.gov/Page/P0554>.



projects were funded through FY 2010. Examples include:

- \$3.9 billion to help begin construction of a California high-speed rail project;
- \$1.1 billion to reduce trip times between Chicago and St. Louis by one hour, improve on-time reliability, and replace trains;
- \$450 million to replace and modernize the power and signaling system on the Northeast Corridor in New Jersey;
- \$177 million to allow new service between Chicago and Iowa City; and
- \$126 million to reduce delays on commuter and intercity trains arriving in Chicago from all points south and east.

Faster average speeds would make trains more competitive with both automobiles and air travel. The Obama administration's proposed investments would improve safety, environmental impact, and average train speeds. Unfortunately, neither the House nor the Senate included the president's proposal in their respective bills.

**TIGER Grants:** Transportation Investment Generating Economic Recovery (TIGER) grants fund surface transportation projects (such as highways, rail, ports, biking and walking projects, etc.) that are multi-modal, multi-jurisdictional, or otherwise challenging to fund through existing programs.<sup>17</sup> The program was created as part of the American Recovery and Reinvestment Act of 2009 and has received additional funding every year since.

Unlike most federal transportation programs, which generally provide funding to states on a formula basis, TIGER grants are made available through a highly competitive process. This year, the U.S. Department of Transportation received 568 applications representing more than \$9 billion in requested funding for just \$474 million in available funds (the total pool of grant funds left over after sequestration).<sup>18</sup> Applicants compete on the basis of the proposed project's

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17 U.S. Department of Transportation, "TIGER Grants." Available at <http://www.dot.gov/tiger>.

18 U.S. Department of Transportation, "U.S. Transportation Secretary LaHood Announces 568 Applications for Latest TIGER Grants," June 11, 2013. Available at <http://www.dot.gov/briefing-room/us-transportation-secretary-lahood-announces-568-applications-latest-tiger-grants>.



economic benefits, environmental impact, and safety improvements.<sup>19</sup> All applications are also required to include a benefit-cost analysis.<sup>20</sup>

In 2013, the Department of Transportation announced that it had funded 52 TIGER grants totaling \$474 million.<sup>21</sup> Examples of projects funded included:

- \$17.7 million to help reconstruct the inner highway loop in Rochester, New York;
- \$14 million for coastal railway bridges in San Diego; and
- \$9.4 million for railway improvements between Kalamazoo and Dearborn, Michigan.

Unfortunately, the House appropriations bill would eliminate funding for the program in FY 2014. It would also rescind all funds not yet obligated in the current year (\$237 million). By comparison, the Senate bill would increase funding for the program in FY 2014 to \$550 million.

**Bridges in Critical Highway Corridors:** The Senate bill includes \$500 million to repair, replace, or construct bridges that are part of critical corridors in the national highway system. The proposed funding was a response to a bridge collapse over the Skagit River in Washington state in May and follow-up testimony from the Government Accountability Office. According to Federal Highway Administration data, an estimated 11 percent of the nation's bridges are structurally deficient (see **Figure 1**).<sup>22</sup> The House bill has no equivalent funding.

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19 U.S. Department of Transportation, "TIGER Grants Application Resources." Available at: <http://www.dot.gov/tiger/application-resources>. See also Eno Center for Transportation, "Lessons Learned from TIGER Discretionary Grant Program," April 2013. Available at <https://www.enotrans.org/publications>.

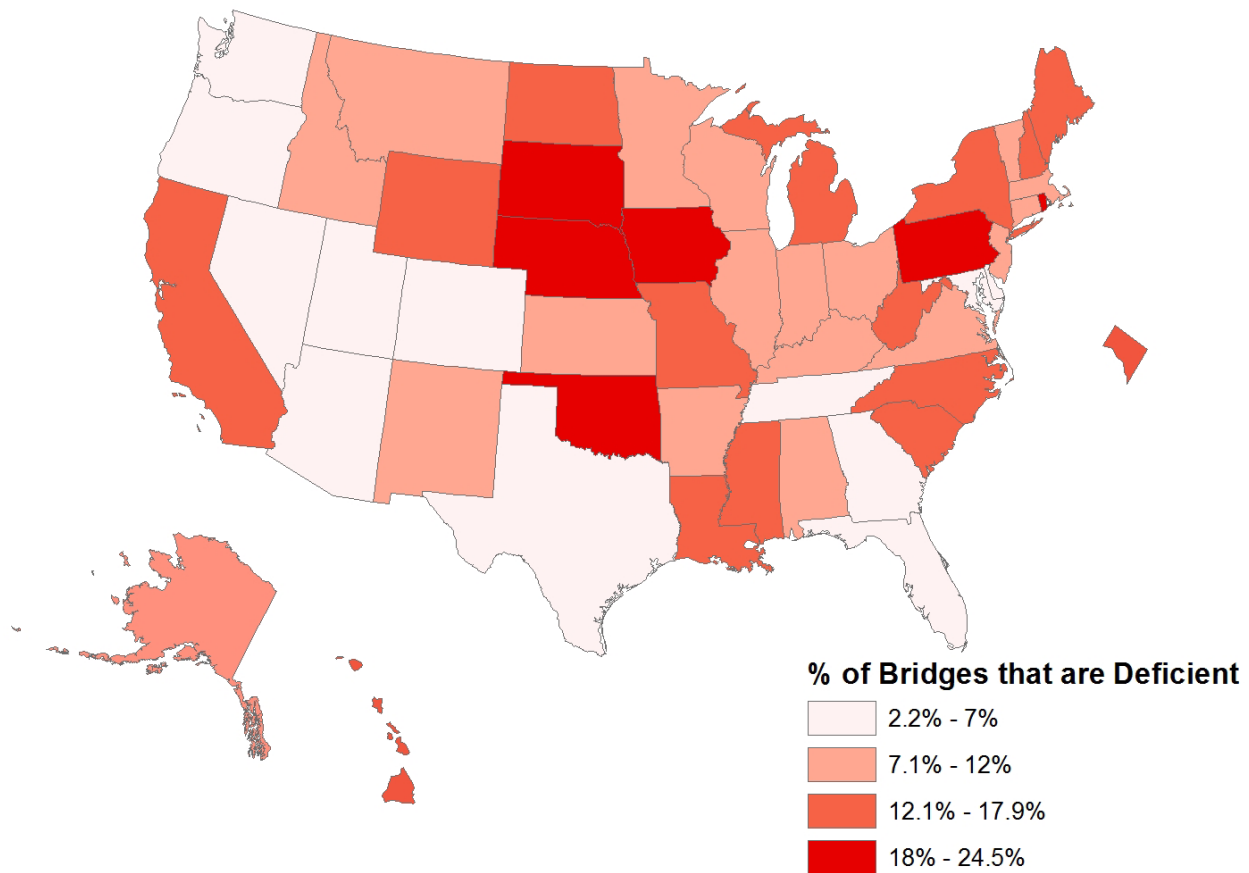
20 U.S. Department of Transportation, "TIGER Benefit-Cost Analysis (BCA) Resource Guide," December 2012. Available at: [http://www.dot.gov/sites/dot.dev/files/docs/tiger-12\\_bca-resourceGuide.pdf](http://www.dot.gov/sites/dot.dev/files/docs/tiger-12_bca-resourceGuide.pdf).

21 U.S. Department of Transportation, "TIGER Grants." Available at <http://www.dot.gov/tiger>.

22 Transportation for America, "The Fix We're In For: The State of Our Bridges," 2013. Available at: <http://t4america.org/resources/bridges/states/>.



Figure 1 – Deficient Bridges, 2013



Source: Transportation for America, “The Fix We’re In For: The State of Our Bridges,” 2013.

Available at: <http://t4america.org/resources/bridges/states/>

According to the economist Mark Zandi, every dollar of transportation spending will generate about \$1.44 of economic output.<sup>23</sup> This estimate is similar to those used by the Economic Policy Institute and Congressional Budget Office.<sup>24</sup> Based on this estimate, the approximately \$3.3 billion difference in overall transportation spending between the House and Senate bills represents about \$4.7 billion in lost economic output and over 30,000 jobs.<sup>25</sup>

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23 Mark Zandi, “At Last, the U.S. Begins a Serious Fiscal Debate,” *Moody’s Analytics*, April 14, 2011. Available at: [http://www.economy.com/dismal/article\\_free.asp?cid=198972](http://www.economy.com/dismal/article_free.asp?cid=198972).

24 Ethan Pollack, “The employment impact of coupling the Buffett Rule with job creating investments,” Economic Policy Institute, Nov. 26, 2012. Available at: <http://www.epi.org/publication/ib335-buffett-rule-infrastructure-investment-jobs>. Congressional Budget Office, “Estimated Impact of the American Recovery and Reinvestment Act on Employment and Economic Output from April 2011 Through June 2011,” August 2011, p. 6. Available at: <http://www.cbo.gov/sites/default/files/cbofiles/attachments/08-24-ARRA.pdf>.

25 Estimate is based on methodology described in Josh Bivens, Ethan Pollack, and John Irons, “Tools for Assessing the Labor Market Impacts of Infrastructure Investment,” Economic Policy Institute, April 7, 2009. Available at: <http://www.epi.org/publication/wp283/>.



# DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Overall, the House appropriations bill would cut funding for the Department of Housing and Urban Development (HUD) by 15 percent, from \$33.5 billion in FY 2013 (pre-sequestration) to \$28.5 billion in FY 2014. By contrast, the Senate bill would increase funding to \$35 billion, or about 4.6 percent.

## *Affordable Housing*

The proposed cuts in the House bill come during a time of tightening rental markets. Nationally, about 35 percent of households are renters, and the number of renters has been growing steadily in recent years. According to the Joint Center for Housing Studies at Harvard University, the number of renter households grew 1.1 million from 2011-2012, while the number of new rental units only grew by 186,000 during that time.<sup>26</sup> This growing imbalance has produced lower vacancy rates and rents that are rising faster than inflation.

According to the American Community Survey, about 42.3 million households (37 percent of all households nationally) paid more than 30 percent of their pre-tax income for housing in 2011. Nearly half of those households (20.6 million) paid more than half of their income for housing.<sup>27</sup> The number of renters falling into these categories has increased in recent years,<sup>28</sup> while funding for public assistance has fallen. Funding for public housing, for example, fell 12 percent between 2008 and 2012, and the public housing supply is currently shrinking at a rate of 10,000 units per year.<sup>29</sup>

Altogether, HUD only serves about 5.4 million families with its affordable housing programs, with most of that aid coming in the form of public housing or rental assistance for private

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26 Joint Center for Housing Studies, "The State of the Nation's Housing: 2013," Chapter 5. Available at <http://www.jchs.harvard.edu/research/publications/state-nations-housing-2013>.

27 Ibid., Chapter 6.

28 U.S. Department of Housing and Urban Development, "Worst Case Housing Needs 2011," February 2013, p. vii. Available at: [http://www.huduser.org/portal/publications/affhsg/wc\\_HsgNeeds11.html](http://www.huduser.org/portal/publications/affhsg/wc_HsgNeeds11.html).

29 Joint Center for Housing Studies, "The State of the Nation's Housing: 2013," Chapter 6.



housing. Both forms of assistance were substantially cut by the House bill.

**Public Housing:** While the Senate bill increases funding for public housing operating costs, from \$4.26 billion to \$4.6 billion, and increases capital investments in public housing, from \$1.875 billion to \$2 billion, the House bill level-funds public housing operating costs at \$4.26 billion and cuts capital investment to \$1.5 billion. Public housing currently provides affordable housing to 1.1 million families.<sup>30</sup> A reduction in capital investments would further accelerate the loss of affordable public housing, increase operating costs, and worsen neighborhood blight.<sup>31</sup>

**Rental Assistance:** The two primary HUD programs for rental assistance are tenant-based (Section 8 housing vouchers) and project-based. Approximately 2 million families receive rental assistance through the Section 8 program and another 1.3 million live in private rental units that receive project-based funding.

The Senate bill proposes increasing tenant-based rental assistance, from \$18.9 billion to \$19.6 billion, and project-based rental assistance, from \$9.3 billion to \$10.8 billion. The House bill cuts both programs, to \$18.6 billion and \$9.1 billion, respectively.<sup>32</sup> According to the Obama administration, the overall House cuts to rental assistance would reduce the number of families receiving assistance by 125,000.<sup>33</sup>

## *Community Development*

The House bill cuts funding for community planning and development programs from \$6.7 billion in FY 2013 to \$4.8 billion in FY 2014, a cut of 28.5 percent below pre-sequestration levels. By contrast, the Senate bill would increase funding for these programs to \$6.9 billion, or 3.1 percent.

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30 HUD, “Worst Case Housing Needs 2011,” February 2013, p. 65.

31 Econsult Corporation, “The Cost of Cuts: The Impact of Reductions in Capital Investments to Public Housing Authorities,” June 27, 2012. Available at: <http://www.econsultsolutions.com/wp-content/uploads/2013/02/120627Cuts-in-Pub-Housg-FullReport.pdf>.

32 Ibid.

33 Office of Management and Budget, “Statement of Administration Policy: H.R. 2610-Transportation, Housing and Urban Development and Related Agencies Appropriations Act, 2014,” July 22, 103. Available at: [http://www.whitehouse.gov/sites/default/files/omb/legislative/sap/113/saphr2610r\\_20130722.pdf](http://www.whitehouse.gov/sites/default/files/omb/legislative/sap/113/saphr2610r_20130722.pdf).



**Community Development Block Grant (CDBG):** The CDBG program distributes flexible block grant funding for community development and revitalization in low- and moderate-income communities. State and local governments use this funding for a variety of purposes, including for public infrastructure, housing, and neighborhood revitalization.<sup>34</sup> The average grant for cities and metropolitan counties is about \$3 million per year<sup>35</sup> and the average grant to states is about \$18 million.<sup>36</sup> Examples of projects funded in 2011 included:

- \$594,539 for rehabbing housing projects in Houston, Texas; and
- \$57,254 for transportation services in Casper, Wyoming.

The CDBG program is one of the nation's principal tools for combating concentrated poverty. According to sociologists like William Julius Wilson, concentrated poverty is worse than dispersed poverty because it can lead to localized societal breakdown, heightened crime, worse health outcomes, and lower educational outcomes.<sup>37</sup> Not only do such communities face greater obstacles to success, they also typically have lower local tax bases to address their comparably larger challenges.

Poverty has become increasingly concentrated in recent years, particularly in rural areas of the South and Southwest (see **Figure 2**).<sup>38</sup> While CDBG is commonly viewed as a program for large urban areas, substantial portions of CDBG funds go to rural communities.<sup>39</sup> For example, the small town of Beattyville, Kentucky used \$5.5 million in CDBG funds received between 1990 and 2006 to help renovate a nursing home, create a health care clinic, and develop several water and sewer projects.<sup>40</sup>

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34 HUD, "CDBG Expenditure Reports." Available at: [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/communitydevelopment/budget/disbursementreports](http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/budget/disbursementreports).

35 General Services Administration, "Community Development Block Grants / Entitlement Grants." Available at: <https://www.cfda.gov/index?s=program&mode=form&tab=core&id=eb2e402e3c148e762a45cf0d3602b996>.

36 General Services Administration, "Community Development Block Grants / State Programs and Non-entitlement Grants in Hawaii." Available at: <https://www.cfda.gov/?s=program&mode=form&tab=step1&id=8ac5c4ecce3da25e50a0bc59b38979d4>.

37 Lisa A. Gennetian, Jens Ludwig, Thomas McDade, and Lisa Sanbonmatsu, "Why Concentrated Poverty Matters," Pathways (Stanford University), Spring 2013. Available at: [http://www.stanford.edu/group/scspi/\\_media/pdf/pathways/spring\\_2013/Pathways\\_Spring\\_2013\\_Gennetian\\_Ludwig\\_McDade\\_Sanbonmatsu.pdf](http://www.stanford.edu/group/scspi/_media/pdf/pathways/spring_2013/Pathways_Spring_2013_Gennetian_Ludwig_McDade_Sanbonmatsu.pdf). See also, Valerie Strauss, "Why growing concentrated poverty dooms school reform," *Washington Post Wonkblog*, Feb. 5, 2013. Available at: <http://www.washingtonpost.com/blogs/answer-sheet/wp/2013/02/05/why-growing-concentrated-poverty-dooms-school-reform/>.

38 *Daily Yonder*, "Rural Poor Are Concentrated," Jan. 30, 2013. Available at: <http://www.dailyyonder.com/rural-poor-are-concentrated/2013/01/30/5614>.

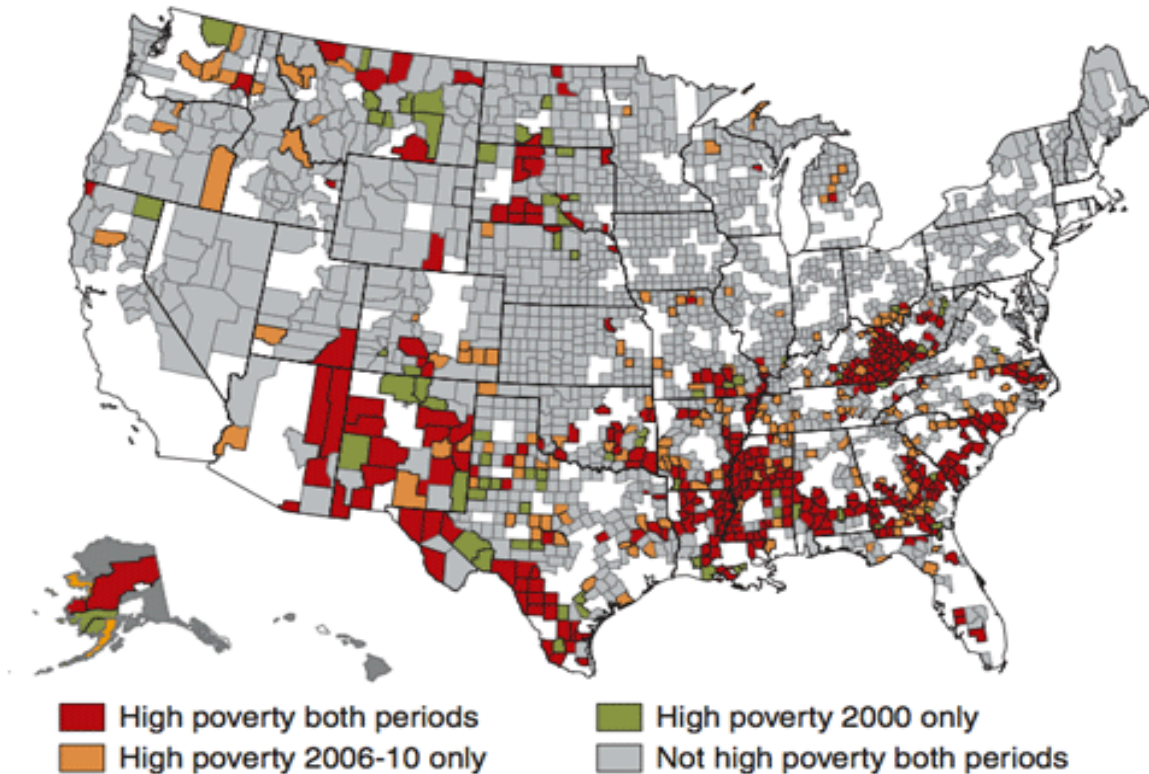
39 Housing Assistance Council, "CDBG Works for Rural Communities," *Rural Voices*, Spring 2006 (Vol. 11, Number 1). Available at: <http://www.ruralhome.org/storage/documents/voicesspring2006.pdf>.

40 General Services Administration, "Community Development Block Grants / State Programs and Non-entitlement Grants in Hawaii." Available at: <https://www.cfda.gov/?s=program&mode=form&tab=step1&id=8ac5c4ecce3da25e50a0bc59b38979d4>.



Figure 2 – Concentrated Poverty in the United States, 2000-2010

**Nonmetro high-poverty counties are regionally concentrated  
in the South,\* 2000 vs. 2006-10**



\*High-poverty counties have a poverty rate of 20 percent or higher.

Source: USDA, Economic Research Service, using data from the 2000 Census of Population and the 2006-2010 American Community Survey.

Source: Daily Yonder, "Rural Poor Are Concentrated," January 30, 2013.

Available at: <http://www.dailyyonder.com/rural-poor-are-concentrated/2013/01/30/5614>

The House bill would cut funding for this program from \$2.9 billion to \$1.99 billion in the coming fiscal year. That \$910 million cut could fund 303 grants to cities and metro areas, assuming the average grant size of \$3 million noted above. The CDBG program could also shrink the average size of the grants, meaning fewer resources would go to communities that receive these important funds. By contrast, the Senate bill would increase funding to \$3.1 billion.



## Other HUD Programs

**Lead Abatement:** According to a review by the Center for American Progress (CAP), lead poisoning is an ongoing health problem.<sup>41</sup> Much of this problem is attributable to lead paint, which, although it was banned in 1978, continues to exist in older housing. Leaded gasoline was banned in 1996. Lead poisoning has been linked to lower IQs, learning disabilities, and criminal behavior. While a causal link has not been made definitively, according to one estimate, the economic benefits of eliminating lead paint could exceed the costs by a 10-1 ratio every year for decades.<sup>42</sup> Another study suggests that every dollar spent on lead abatement would produce \$17-221 in economic benefits.<sup>43</sup>

Since the Office of Healthy Homes and Lead Hazard Control was established 20 years ago, it has removed lead from over 200,000 older homes, although this is still just a fraction of the millions of households that face significant lead-based hazards and other home-based health-related issues such as mold, pests, radon, and poor indoor air quality.<sup>44</sup> This year, the office awarded \$98.3 million to 38 projects to clean up lead and other home health hazards in an estimated 6,373 homes, provide training, and increase public awareness of lead poisoning hazards.<sup>45</sup>

The House bill would cut funding for lead abatement by more than half, from \$120 million to \$50 million. The Senate bill and president have proposed maintaining current levels of funding. Assuming a 17-1 minimum return on investment, the \$70 million reduction in the House bill would produce \$1.19 billion in economic costs for society.

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41 Harry Stein, "Austerity Is Leaving Children Sick With Lead Poisoning," *Think Progress*, July 16, 2013. Available at: <http://thinkprogress.org/economy/2013/07/16/2307251/austerity-is-leaving-children-sick-with-lead-poisoning/>.

42 Kevin Drum, "America's Real Criminal Element: Lead," *Mother Jones*, January/February 2013. Available at: <http://www.motherjones.com/environment/2013/01/lead-crime-link-gasoline>.

43 Elise Gould, "Childhood Lead Poisoning: Conservative Estimates of the Social and Economic Benefits of Lead Hazard Control," *Environmental Health Perspectives*, July 2009, pp. 1162-1167. Available at: <http://www.ruralhome.org/storage/documents/voicesspring2006.pdf>.

44 HUD, "Leading Our Nation to Healthier Homes: The Health Homes Strategic Plan," July 9, 2009, pp. 6, 9. Available at: [http://portal.hud.gov/hudportal/documents/huddoc?id=hhstratplan\\_7\\_9\\_09.pdf](http://portal.hud.gov/hudportal/documents/huddoc?id=hhstratplan_7_9_09.pdf).

45 *Hartford Business Journal*, "HUD hands CT, 2 cities \$7.5 million to abate lead," May 23, 2013. Available at: <http://www.hartfordbusiness.com/article/20130523/NEWS01/130529885/hud-hands-ct-2-cities-75m-to-abate-lead>.



# CONCLUSION

Overall, proposed spending levels in the House Transportation-HUD bill would, if passed, produce substantial cutbacks in our nation's transportation and housing infrastructure. The failure of the House leadership to even bring this bill to the floor shows how unrealistic these funding levels are.

With the economy still growing very slowly in the aftermath of the last recession, now is the time for increasing investments in critical transportation and housing infrastructure, not cutting back.



**Table 2 – Side-by-side Spending Comparisons:**  
The following table provides comparisons of recommended spending levels for the full FY 2014 Transportation-HUD appropriations bill

Program	FY 2013 Appropriation	FY 2014 Presidential Request	FY 2014 House Recommendation (H.R. 2610)	FY 2014 Senate Recommendation (S. 1243)
Title I – Department of Transportation	\$ 17,945,016,000	22,709,135,000	15,297,617,000	18,646,453,000
Office of the Secretary	782,845,000	817,937,000	3,315,000	856,669,000
TIGER grants	500,000,000	500,000,000	-237,000,000	550,000,000
Federal Aviation Administration	12,551,682,000	12,200,798,000	11,795,600,000	12,570,817,000
National Highway Traffic Safety Administration	140,146,000	148,343,000	-35,281,000 *	148,343,000
Federal Railroad Administration (including Amtrak)	1,631,596,000	6,634,500,000	1,163,358,000	1,765,358,000
Federal Transit Administration	2,251,713,000	2,315,360,000	1,922,030,000	2,176,970,000
Saint Lawrence Seaway Development Corporation	32,259,000	32,855,000	30,582,000	33,000,000
Maritime Administration	349,478,000	364,823,000	324,423,000	393,103,000
Pipeline and Hazardous Materials Safety Administration	81,632,000	79,389,000	81,863,000	84,588,000
Research and Innovative Technology Administration	15,981,000	0	0	0
Office of Inspector General	79,624,000	85,605,000	79,624,000	86,605,000
Surface Transportation Board	28,060,000	29,525,000	28,060,000	32,250,000
Title II - HUD	33,496,488,000	34,939,888,000	28,455,033,000	35,023,508,000
Administration	1,331,500,000	1,339,100,000	1,263,000,000	1,336,017,000
Tenant-based Rental Assistance	18,939,369,000	19,989,216,000	18,610,564,000	19,592,216,000
Rental Assistance Demonstration	0	10,000,000	0	10,000,000
Public Housing Capital Fund	1,875,000,000	2,000,000,000	1,500,000,000	2,000,000,000
Public Housing Operating Fund	4,262,010,000	4,600,000,000	4,262,010,000	4,600,000,000
Choice Neighborhoods	120,000,000	400,000,000	-120,000,000	250,000,000
Family Self-Sufficiency	0	75,000,000	60,000,000	75,000,000
Native American Housing Block Grants	650,000,000	650,000,000	600,000,000	675,000,000
Native Hawaiian Housing Block Grant	13,000,000	13,000,000	0	13,000,000
Indian Housing Loan Guarantee Fund	12,200,000	6,000,000	6,000,000	6,000,000
Housing Opportunities for Persons with AIDS	332,000,000	332,000,000	303,000,000	332,000,000
CDBG formula	2,948,090,000	2,798,100,000	1,636,813,000	3,150,000,000



Indian CDBG	60,000,000	70,000,000	60,000,000	70,000,000
Integrated planning and investment grants	0	75,000,000	0	0
Neighborhood stabilization program	0	200,000,000	0	0
Disaster relief	300,000,000	0	0	0
HOME Investment Partnerships Program	1,000,000,000	950,000,000	700,000,000	1,000,000,000
Self-help and Assisted Homeownership Opportunity Program	53,500,000	0	30,000,000	53,500,000
Homeless Assistance Grants	2,033,000,000	2,381,000,000	2,088,000,000	2,261,190,000
Other Community Planning and Development	5,952,000	20,000,000	-3,000,000	0
Project-based Rental Assistance	9,339,672,000	10,272,000,000	9,050,672,000	10,772,000,000
Housing for the Elderly	374,627,000	400,000,000	374,627,000	400,000,000
Housing for Persons with Disabilities	165,000,000	126,000,000	126,000,000	126,000,000
Housing Counseling Assistance	45,000,000	55,000,000	35,000,000	55,000,000
Rental Housing Assistance	1,300,000	21,000,000	21,000,000	21,000,000
Manufactured Housing Fees Trust Fund	6,500,000	7,530,000	6,530,000	7,530,000
Rescissions and Offsetting Collections	-4,000,000	-10,030,000	-10,030,000	-10,030,000
Federal Housing Administration	-10,227,000,000	-11,697,000,000	-11,697,000,000	-11,635,500,000
Government National Mortgage Association	-750,500,000	-796,800,000	-799,000,000	-796,800,000
Policy Development and Research	46,000,000	50,000,000	21,000,000	48,000,000
Fair Housing and Equal Opportunity	70,847,000	71,000,000	55,847,000	70,000,000
Office of Healthy Homes and Lead Hazard Control	120,000,000	120,000,000	50,000,000	120,000,000
Other Management and Administration	373,035,000	412,772,000	224,000,000	337,000,000
Title III – Other Independent Agencies	373,000,000	368,470,000	347,400,000	375,039,000
Access Board	7,400,000	7,448,000	7,400,000	7,448,000
Federal Maritime Commission	24,100,000	25,000,000	24,200,000	24,669,000
Amtrak IG	20,500,000	25,300,000	25,300,000	21,000,000
National Transportation Safety Board	102,400,000	103,027,000	102,400,000	103,027,000
Neighborhood Reinvestment Corp.	215,300,000	204,100,000	185,100,000	215,300,000
U.S. Interagency Homelessness Council	3,300,000	3,595,000	3,000,000	3,595,000
Total	\$51,814,504,000	58,017,493,000	44,100,050,000	54,045,000,000

\* Includes \$152 million rescinded from previously authorized, but unspent, funds.





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